GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1540
ANSWERED ON:14.03.2005
SETTING UP OF COMMODITY FUTURES MARKETS
Mandlik Shri Sadashivrao Dadoba;Singh Shri Kirti Vardhan

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has taken the final decision regarding setting up a commodity futures market;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN)

(a) & (b): The Commodity futures markets had been operating in India even before independence. However, the Government started to regulate these exchanges with the introduction of Forward Contracts (Regulation) Act, 1952 and setting up of Forward Markets Commission in Mumbai as a regulatory body in 1953. Since April, 2003 all the commodities have been permitted for futures trading. Presently there are 25 commodity exchanges, including three national level exchanges in India which are organizing futures trading.

(c) : Does not arise.